

1 JEANETTE E. McPHERSON states and declares as follows:

2 1. I am an attorney at the law firm of Kummer Kaempfer
3 Bonner & Renshaw ("KKBR"). All members of KKBR and I are duly
4 admitted to practice law in the State of Nevada. KKBR
5 anticipates that Jeanette E. McPherson will be the attorney
6 primarily handling matters for the Unsecured Creditors' Committee
7 (the "Committee") in this case. Jeanette E. McPherson is
8 admitted to practice before the Federal District Court in the
9 State of Nevada.

10 2. The Committee desires to have KKBR represent it as
11 local counsel in the above-styled case. KKBR is experienced in
12 bankruptcy cases and is willing to accept as compensation such
13 amounts as may hereafter be allowed by this Court, after notice
14 and hearing.

15 3. The name, address, telephone number, and facsimile
16 number of KKBR is:

17 Kummer Kaempfer Bonner & Renshaw
18 3800 Howard Hughes Pkwy., 7th Fl.
19 Las Vegas, NV 89109
Telephone: (702) 792-7000
Facsimile: (702) 796-7181

20 4. The Committee desires to employ KKBR as its counsel at
21 the expense of the estate to, among other things: (a) advise the
22 Committee generally concerning the rights, duties and obligations
23 of an unsecured creditors' committee, (b) monitor the progress of
24 the bankruptcy, (c) become aware of issues affecting creditors
25 and protect the rights of the creditors, (d) consult with and
26 keep the Committee informed of the progress of the case, (e)
27 attend and participate in hearings likely to affect the
28 creditors, and (f) perform such other work as necessary or

1 reasonable to promote the interest of the creditors in the
2 bankruptcy case.

3 5. The Committee proposes to retain KKBR on the following
4 basis. KKBR will, pursuant to Bankruptcy Code Sections 330 and
5 331, petition the Court for an allowance of fees not more
6 frequently than every 120 days, which petition will be heard upon
7 prior notice to creditors and other interested parties. KKBR
8 will accept such fees as may be awarded by the Court. KKBR
9 expects that its compensation will be based upon a combination of
10 factors, including without limitation, experience of counsel,
11 time expended, results achieved, difficulty of matters
12 undertaken, and KKBR normal hourly rates billed at the rate of
13 \$230 for Jeanette E. McPherson, and \$95 for Stephanie Richards, a
14 KKBR paralegal, and various hourly rates for other counsel and
15 support staff within KKBR as the same may exist from time to
16 time. During the period of representation, KKBR reserves the
17 right to adjust these rates.

18 6. KKBR has not received a retainer. KKBR anticipates
19 being compensated out of assets of the estates pursuant to Orders
20 of the Court. There are no arrangements between KKBR and any
21 other entity for the sharing of compensation to be received in
22 connection with this case, except insofar as such compensation
23 may be shared among the members and regular associates of KKBR.
24 However, fees and expenses incurred by the Committee's previous
25 counsel, Mangels Butler Marmaro & O'Reilly ("MBMO") shall be paid
26 to MBMO.

27 7. KKBR does not believe that it has any conflict of
28 interest that would prohibit it from representing the Committee

1 in this case. With respect to KKBR's representation, KKBR states
2 as follows:

3 a. KKBR represented an unsecured creditor in this case,
4 Erin N. McKenna. On behalf of Ms. McKenna, prior to the
5 date of this Disclosure, KKBR obtained a Stipulation and
6 Order Re: Relief from Automatic Stay to Pursue Insurance
7 Proceeds entered on or about August 4, 2000.
8 Representation of Ms. McKenna has been completed.

9 b. KKBR represented M&W Packaging, Inc., a creditor who has
10 initiated an adversary proceeding in this case for
11 reclamation. KKBR has withdrawn from representation of
12 M&W Packaging.

13 c. KKBR represented T.T. Ranch, Inc. a creditor who has
14 filed a secured claim in this case in the amount of
15 \$5,075.00. KKBR has withdrawn from representation of
16 T.T. Ranch, Inc.

17 d. KKBR represented Randall Jeppson, a creditor who has
18 filed a proof of claim. KKBR has withdrawn from
19 representation of Mr. Jeppson.

20 e. KKBR has represented Bank of America, an alleged secured
21 creditor, in unrelated matters. Representation of Bank
22 of America ceased several years ago.

23 f. KKBR has represented KPMG's Canadian branch/affiliate,
24 an alleged unsecured creditor, in a matter unrelated to
25 this case. Representation of this client has ended and
26 this matter was closed.

27 g. KKBR has provided legal services to an alleged unsecured
28 creditor, Sun Gro Horticulture, Inc. in a matter

1 unrelated to this case. This work was performed over
2 seven years ago and this matter was closed.

3 h. KKBR represented the Debtor, John C. Francis, and John
4 R. Thomas in connection with a lawsuit brought against
5 them by Jonathan R. Curshen. The work performed was
6 minimal and was performed by an attorney who is no
7 longer a member of KKBR. Representation of these
8 clients ended on or around December, 1998 and KKBR's
9 file was closed.

10 If KKBR determines that any interest is potentially adverse
11 to the Committee or the unsecured creditors in this bankruptcy
12 case, KKBR will further supplement this Declaration. To date,
13 KKBR does not believe it currently represents any interest that
14 would be adverse to the creditors of the bankruptcy estate.

15 8. The Committee proposed that KKBR be paid its customary
16 hourly rates in effect from time to time and to reimburse KKBR
17 for its expenses in accordance with customary reimbursement
18 policies. KKBR understands that its compensation in these cases
19 is subject to the prior approval of the Court, after notice and
20 hearing, in accordance with Sections 328(a) and 330 of the
21 Bankruptcy Code, and Rule 2016 of the Federal Rules of Bankruptcy
22 Procedure, as well as the Court's Guidelines for Compensation and
23 Expense Reimbursement of Professionals and Trustees. KKBR may
24 seek interim compensation during the case at the times and in the
25 amounts permitted by Sections 328(a) and 331 of the Bankruptcy
26 Code, and Rule 2016 of the Federal Rules of Bankruptcy Procedure.

27 9. KKBR does not employ any person who is related to a
28 Judge of this Court or the United States Trustee for Region 17.

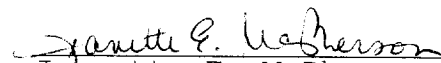
1 The KKBR attorney referenced above who will primarily be
2 responsible for handling matters for the Committee is familiar
3 with the Bankruptcy Code, the Bankruptcy Rules, the Local
4 Bankruptcy Rules, and the United States Trustee Guidelines, and
5 will comply with them.

6 10. To the best of my knowledge, I believe KKBR is eligible
7 for employment as counsel for the Committee.

8 11. A Substitution of Counsel will also be filed
9 substituting the Committee's previous counsel, MBMO, for KKBR.
10 MBMO was substituted by an Order substituting it as counsel for
11 the Committee in the place and stead of Hale Lane Peek Dennison
12 Howard and Anderson whose employment was authorized by an Order
13 entered on or about March 21, 2000.

14 I declare, under penalty of perjury, that the foregoing is
15 true and correct, to the best of my knowledge, information and
16 belief.

17 DATED: October 18, 2000.

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19 
20 Jeanette E. McPherson
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